

MERIT JANUARY RETAIL PROMOTION

- On Pack: Buy 2 packs, get free lighter and an offer for porcelain ashtray
- On Carton: Buy 1 carton, get free lighter and an offer for porcelain ashtray
- Jan 1994 to Feb 1994
- Postage & Handling Cost to consumer
- Circulation: 2,217,330
- Premium: Porcelain Ashtray with 10 pk UPCs

ESTIMATE FOR RESPONSE TO ASHTRAY OFFER:

* Historically, premium brand offers (using retail method) with CARTON UPC and cash requirements have generated an average response of 2.77% (based on 11 observations). This translates to 1.39% (conversion factor based on previous models developed by MSA) if pack UPCs were required instead.

* Premium brand programs with similar UPC requirements and with cash requirements performed as follows:

<u>PROGRAM (DROP DATE)</u>	<u>#PREMIUM</u>	<u>MEDIA</u>	<u>#UPCS</u>	<u>\$(CASH/P&H)</u>	<u>RESPONSE</u>	<u>CONVERT TO PACK RESPONSE</u>
- Marlboro Wild West T-Shirts (4/1/90)	1	On pack	10 pk	\$6.00	1.91%	-
- Marlboro Wild West Collection (11/1/89)	1	On pack	10 pk	\$6.00	2.97%	-
- Marlboro Country Music III (9/10/89)	1	On pack	6 pk	\$1.50	0.72%	-
- Parliament Cassette Player (11/1/89)	1	On pack	10 pk	\$6.49	0.10%	-
- Merit Cooler Offer (3/1/91)	1	On pack	5 pk	\$3.50	2.55%	-
- Marlboro Country Music III (9/10/89)	1	On pack	6 pk	\$1.50	0.72%	-
- Marlboro Wild West T-Shirts (5/15/91)	1	On pack	15 pk	\$3.50	5.42%	-
AVERAGE					2.06%	
- Merit Blue Chip Collection (12/15/91)	5 items - Wallet	On carton	1 ctn	\$0.00	0.44%	0.22% (10 pk)
- Merit Umbrella Offer (12/1/89)	2	On carton	1 ctn	\$1.00	2.44%	1.22% (10 pk)
- Merit Ultima Coupons (6/1/92)	1	On carton	1 ctn	\$0.00	7.74%	3.87% (10 pk)
- B&H Umbrella Offer (12/1/89)	2	On carton	1 ctn	\$1.00	3.33%	1.67% (10 pk)
- B&H Collection (3/15/89)	5 items - Travel Kit	On carton	1 ctn	\$0.00	0.01%	0.005% (10 pk)
- Virginia Slims Umbrella Offer (12/1/89)	2	On carton	1 ctn	\$1.00	3.75%	1.88% (10 pk)
AVERAGE						1.48%

* Two programs that offered an ashtray generated the following responses:

<u>PROGRAM (DROP DATE)</u>	<u>#PREMIUM</u>	<u>MEDIA</u>	<u>#UPCS</u>	<u>\$(CASH/P&H)</u>	<u>RESPONSE</u>
- Next Collection (9/1/90)	5 items - ashtray	On carton	30 pk or 3 ctn	\$0.00	0.23%
- Next Collection (9/1/90)	5 items - ashtray	On pack	30 pk or 3 ctn	\$0.00	0.28%

* Based on these information, the estimated response rate for this program is 2% - 4%.
The response could be higher because upon purchase of the carton, consumers would already have the 10 pk UPCs they need to redeem the ashtray.

2045379922

MERIT JAN RETAIL PROMO